

2004

## A critical enquiry into privatisation of state-owned enterprises: the case of PT Semen Gresik (Persero) TBK. Indonesia

Gugus Irianto  
*University of Wollongong*

Follow this and additional works at: <https://ro.uow.edu.au/theses>

### University of Wollongong

#### Copyright Warning

You may print or download ONE copy of this document for the purpose of your own research or study. The University does not authorise you to copy, communicate or otherwise make available electronically to any other person any copyright material contained on this site.

You are reminded of the following: This work is copyright. Apart from any use permitted under the Copyright Act 1968, no part of this work may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of the author. Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material.

Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.

Unless otherwise indicated, the views expressed in this thesis are those of the author and do not necessarily represent the views of the University of Wollongong.

---

### Recommended Citation

Irianto, Gugus, A critical enquiry into privatisation of state-owned enterprises: the case of PT Semen Gresik (Persero) TBK. Indonesia, PhD thesis, School of Accounting and Finance, University of Wollongong, 2004. <http://ro.uow.edu.au/theses/522>

## **NOTE**

This online version of the thesis may have different page formatting and pagination from the paper copy held in the University of Wollongong Library.

## **UNIVERSITY OF WOLLONGONG**

### **COPYRIGHT WARNING**

You may print or download ONE copy of this document for the purpose of your own research or study. The University does not authorise you to copy, communicate or otherwise make available electronically to any other person any copyright material contained on this site. You are reminded of the following:

Copyright owners are entitled to take legal action against persons who infringe their copyright. A reproduction of material that is protected by copyright may be a copyright infringement. A court may impose penalties and award damages in relation to offences and infringements relating to copyright material. Higher penalties may apply, and higher damages may be awarded, for offences and infringements involving the conversion of material into digital or electronic form.

**A CRITICAL ENQUIRY INTO  
PRIVATISATION OF STATE-OWNED ENTERPRISES:  
THE CASE OF PT SEMEN GRESIK (PERSERO) TBK.  
INDONESIA**

A thesis submitted in fulfillment of  
the requirements for the award of the degree

**DOCTOR OF PHILOSOPHY**

from

**UNIVERSITY OF WOLLONGONG**

by

**Gugus Irianto**

S.E. Akt. (B.Sc. in Accountancy), Brawijaya University, Malang, Indonesia.  
MSA (Master of Science in Accountancy), California State University, Fresno, USA.

**School of Accounting and Finance  
2004**

## **Declaration**

I, *Gugus Irianto*, declare that this thesis, submitted in fulfillment of the requirements for the award of Doctor of Philosophy, in the School of Accounting and Finance, University of Wollongong, is wholly my own work unless otherwise referenced or acknowledged. The document has not been submitted for qualifications at any other academic institution.

A handwritten signature in black ink, appearing to read 'Gugus Irianto', with a horizontal line extending from the end of the signature.

**Gugus Irianto**  
25 November 2004

## Acknowledgments

All the praise be to Allah, the Cherisher and Sustainer of the world, Who has given me opportunity, strength and ability to complete this thesis. As an expression of my gratefulness, I dedicate this thesis for those who struggle for (social) justice, equity, fairness, transparency, and accountability.

This thesis is completed under the supervision of Professor Michael J.R. Gaffikin. He has put an enormous time and energy in providing intellectual insight into this thesis. Prof. Gaffikin has also taught me what I have learned as a unique approach throughout the supervision process which enhances my ability, network, determination, and self-confidence. He inspires and opens *windows of opportunity* and supports me not only *to be a researcher* but also *being a researcher*. He has shared the spirit of compassionate and courage throughout my journey. I am deeply indebted to and would like to express sincere thanks and appreciation for him.

I am also much grateful to Prof. Gill Palmer, former Dean, Faculty of Commerce, University of Wollongong, Prof. Eka Afnan T. and Prof. Munir, Rector and Vice Rector II, Brawijaya University, and Ms. Robyn Wilkes, the Head of Halls, the University of Wollongong who initially set up a joint scholarship for this study. I would also like to express my gratitude to Prof. A. Malik Fajar, (former) Rector, Muhammadiyah University of Malang, Drs. Umar Burhan, MSc. and Dra. Titik Multifiah, MS (former Dean and Vice Dean II), Prof. Dr. M. Harry Susanto and Drs. Bambang Hariadi, MSc., Dean and Vice Dean II, of the Faculty of Economics, Brawijaya University, as well as Associate Prof. Robert Williams, the Head of School of Accounting and Finance, University of Wollongong, for their sincere support.

I would also like to thank to Satriyo and Cholil Hasan, Presiden Director and Director of Finance of PT Semen Gresik (Persero) Tbk., Suryono, the Deputy for Economic and Development of the local government of Gresik, and Haeny Relawati, the Mayor of the local Government of Tuban, who have given me opportunity and access to collect necessary data for this study. The librarians of the University of Wollongong deserve my appreciation for their dedication in supporting this study.

My sincere appreciation also goes to Associate Prof. Hema Wijewardena who shared his experience on particular aspects of my journey. I would also express my sincere thanks to my colleagues particularly Unti L., Iwan T., Eko Ganis S., Mustofa, Roekhudin, Yusuf W., Ainur Rofiq, Husni Thamrin, MT Sabirin, Didied PA, Ali D., Nurcholis, and Noval of the Faculty of Economic Brawijaya University, Muhadjir Effendi (Rector, Muhammadiyah University of Malang), Nazaruddin M. (Associate Director, Postgraduate Studies, Muhammadiyah University of Malang), Suaeb A, Suwandi, Tjipto S., Evie A. (Semen Gresik) and my colleagues at the University of Wollongong such as Lukman, Budi/Linda, Hilman, Gede, Agung, Rudi, Beni, Agus S. (Iwan), Imam W., Ahsyim, Nadhir, Tedy S, Alain, Nasser, Abubakar, Abd. Salam, Hasri, Kang, Balla, and many others that I am unable to put in this limited space.

Finally, I am deeply indebted to my wife, Nelly Elvida and my children, M. Fajar Ismail and M. Rizqi Akbar, as well as my parents and my younger brothers and sisters, for their love, prayers, support, sincere understanding and sacrifice. While so many supported the completion of this thesis, any errors or omissions are solely my own responsibility.

## ABSTRACT

Privatisation has been interpreted in a variety of ways. It encompasses a variety of aspects such as ideology, politics, the economy, financial, as well as social implications and the global context. Above all, privatisation is conclusively understood as *a medium* of ‘reality’ construction. It is a policy that *does* create a newly constructed distribution of wealth and power and reveals conflicts of interests among various parties.

The fundamental determinant of privatisation is ideological, which is the government’s inclination to praise *laissez faire* (liberalism/neo-liberalism) rather than interventionist systems. The other central issue of privatisation is about efficiency or performance of state ownership vis-à-vis private ownership. Beyond these aspects, privatisation is commonly exercised by countries that are in the middle of a deep economic crisis, facing soaring foreign debt, dealing with a widening budget deficit and dependent on international agencies, particularly the IMF and the World Bank (Ramamurty, 1992).

Considering the nature of privatisation, a study on privatisation of state-owned enterprises is argued to be best placed in such *a context*. Such a study is parallel to the call to study accounting within its environment. Whilst a variety of theoretical frameworks of critical accounting studies are available, this study utilises one of them which is the *political economy of accounting* (PEA), a theoretical framework pioneered by Tinker (1980), advanced in the works of Cooper and Sherer (1984) and others and ‘applied’ in the case of privatisation, such as, in the works of Shaoul (1997a, 1997b), Arnold and Cooper (1999), and Uddin and Hopper (2001, 2003).

Grounded in such a framework, this study is an enquiry into the privatisation of PT Semen Gresik (Persero) Tbk., a state-owned enterprise in Indonesia which operates in the cement industry. The privatisation of this company was carried out as part of broader policy reforms and executed at three consecutive times in 1991, 1995, and 1998. These gradual divestments have been completed within *different contexts*. The latest partial divestment sparked heavy opposition to the hegemonic nature of MNCs from various stakeholders. A variety of issues ranging from justice and fairness, job security, financial aspects, to the economic sovereignty have been raised. Accounting and accountants are at the nerve centre of such discourse. Whilst various deficiencies are apparent in the ‘construction’ of such policy, above all, the case raises the fundamental issue of the distribution of wealth and power, which, unlike that in Malaysia, the Indonesian government has failed to address.

## TABLE OF CONTENTS

<b>DECLARATION</b> .....	i
<b>ACKNOWLEDGEMENTS</b> .....	ii
<b>ABSTRACT</b> .....	iii
<b>TABLE OF CONTENTS</b> .....	iv
<b>LIST OF FIGURES</b> .....	viii
<b>LIST OF TABLES</b> .....	ix
<b>LIST OF APPENDICES</b> .....	xi
<b>GLOSSARY</b> .....	xii

### ***CHAPTER 1***

#### **INTRODUCTION**

1.1. Privatisation: a prologue.....	1
1.2. Privatisation in Indonesia and the case of PT Semen Gresik (Persero) Tbk...	6
1.3. Methodology of the research and the PEA theoretical framework.....	11
1.4. The craft of the study.....	23

### ***CHAPTER 2***

#### **THE GENERAL CONCEPTS OF PRIVATISATION**

2.1. Introduction.....	25
2.2. The nature of privatisation.....	27
2.3. The roots of privatisation.....	31
2.4. Objectives of privatisation.....	35
2.5. Methods of privatisation of SOEs.....	37
2.5.1. Public offering of shares (stocks flotation).....	37
2.5.2. Direct placement (strategic sale).....	38
2.5.3. Management/Employment Buy-out (M/EBO).....	38
2.5.4. Contracting out or outsourcing.....	39
2.5.5. Selling of assets.....	39
2.5.6. Leasing, Management contract, and Concession.....	40
2.5.7. Build, Operate, and Transfer (BOT).....	42
2.5.8. Voucher schemes.....	42
2.6. Processes of Privatisation of SOEs.....	43
2.6.1. The planning stage (pre-privatisation).....	43
2.6.2. The implementation stage.....	44
2.6.3. The post-privatisation stage.....	45
2.7. Catalysts of privatisation.....	46
2.7.1. SOEs' poor performance?.....	46
2.7.2. The financial difficulties faced by the state.....	49
2.7.3. The international pressure.....	50

2.7.4. The political factor.....	51
2.8. Summary.....	53

### **CHAPTER 3**

#### **PRIVATISATION: COUNTRIES' EXPERIENCES**

3.1. Introduction.....	56
3.2. Privatisation in developed countries: the UK experience.....	58
3.2.1. A brief prologue.....	58
3.2.2. Backgrounds and motives.....	60
3.2.3. Results and costs.....	63
3.2.4. The winners and losers.....	66
3.2.5. The role of the National Audit Office.....	71
3.2.6. The regulations.....	73
3.2.7. Cases studies.....	75
3.3. Privatisation in developing countries: Malaysian experience.....	78
3.3.1. A brief prologue.....	78
3.3.2. Background.....	80
3.3.3. Objectives and methods.....	87
3.3.4. The outcomes: who benefits, who loses.....	89
3.3.5. Critique and dilemmas.....	95
3.4. Summary.....	99
3.5. A brief epilogue.....	101

### **CHAPTER 4**

#### **SOEs AND PRIVATISATION OF SOEs IN INDONESIA**

4.1. Introduction .....	102
4.2. The development of SOEs in Indonesia.....	106
4.2.1. The early years of independence.....	107
4.2.2. The era of <i>Perusahaan Negara</i> (PN).....	111
4.2.3. The era of <i>Perjan</i> , <i>Perum</i> and <i>Persero</i> .....	113
4.2.3.1. The period of the oil boom.....	116
4.2.3.2. The post oil boom period .....	119
4.3. The roles, profiles, performance and challenges of SOEs in Indonesia.....	121
4.3.1. Constitutional legitimacy and debate.....	121
4.3.2. Profile and Performance.....	128
4.3.3. Challenges.....	136
4.4. Privatisation of SOEs in Indonesia.....	138
4.4.1. Early evidence.....	138
4.4.2. A new wave of privatisation.....	141
4.4.2.1. Background.....	141
4.4.2.1.1. The crisis and international pressures.....	142
4.4.2.1.2. Budget deficit and SOEs' performance.....	145
4.4.2.2. Objectives and methods.....	147
4.4.2.3. Result of privatisation.....	151
4.5. Current development.....	152



4.6. Summary.....	155
-------------------	-----

## **CHAPTER 5**

### **THE CEMENT INDUSTRY IN INDONESIA AND PT SEMEN GRESIK (Persero) Tbk.**

5.1. Introduction.....	159
5.2. The Cement Industry in Indonesia (CII). ....	162
5.2.1. A brief history.....	162
5.2.2. Production Capacity, Production and Utilisation .....	165
5.2.3. Sales and their prospects.....	166
5.2.4. Financial Highlights: a comparative outlook.....	170
5.2.4.1. Debt trap, Ownership, and the MNCs.....	171
5.2.4.2. Profitability.....	182
5.2.5. Government regulation and the Indonesian Cement Association....	186
5.3. PT Semen Gresik (Persero), Tbk.....	190
5.3.1. The genesis of public enterprise.....	190
5.3.2. Production capacity and expansion.....	195
5.3.3. Utilisation.....	198
5.3.4. Production process.....	198
5.3.5. Types and characteristics of products.....	199
5.3.6. Sales and Market share.....	200
5.3.7. Management of SG and its accountability.....	203
5.3.8. Subsidiaries, affiliations and supporting institutions.....	208
5.4. Summary.....	208

## **CHAPTER 6**

### **PRIVATISATION OF PT SEMEN GRESIK (PERSERO) Tbk.: EVIDENCE AND CONTROVERSIES**

6.1. Introduction.....	212
6.2. The divestment of SG in 1991 and 1995.....	214
6.3. The divestment of SG in 1998.....	220
6.3.1. The government objective.....	223
6.3.2. The environment.....	224
6.3.3. Tendering process.....	230
6.3.4. The outcome.....	234
6.3.5. Conditional Sale and Purchase Agreement (CSPA).....	240
6.3.6. Financial performances: before and after the divestment in 1998....	241
6.4. The controversies.....	243
6.4.1. Put option and the state's potential loss.....	244
6.4.2. Privileges for Cemex.....	246
6.4.3. 'Strategic' vis-à-vis 'tragic' alliance.....	249
6.4.4. National interest and sovereignty.....	250
6.5. Other issues.....	257
6.5.1. Terms of reference and scope of	257

privatisation.....	
6.5.2. Shareholders vis-à-vis corporate action.....	262
6.5.3. Cemex and SG's export performance.....	265
6.5.4. Cartels and competition law.....	269
6.5.5. Current developments.....	271
<b>CHAPTER 7</b>	
<b>CONCLUSIONS, REFLECTIONS AND FUTURE RESEARCH</b>	
7.1. Introduction.....	273
7.2. SG: the general overview.....	279
7.3. The divestment of SG in 1991 and 1995.....	282
7.4. The divestment of SG in 1998.....	284
7.5. The distribution of power and wealth, and the hegemonic nature of MNC...	291
7.6. Reflections: policy, accounting, and accountability.....	298
7.7. Direction of future research.....	311
Bibliography.....	335

## LIST OF FIGURES

4.1	Indonesia: Government Investments in SOEs, 1969-1992	118
4.2	Indonesia: The Soundness of SOEs, 1994-2000	131
4.3	Indonesia: ROA and ROE of SOEs, 1992-2001	132
4.4	Indonesia: DTA and DER of SOEs, 1992-2001	134
4.5	Indonesia: Income after Tax and Dividend of SOEs, 1992-2001	135
5.1	CII: ‘Shared’ Production Capacity, 2000	165
5.2	CII: Capacity, Production and Sales	167
5.3	SG, ITP, and SC: Trend of Total Liabilities, 1993-2000	172
5.4	SG, ITP, and SC: Trend of Debt to Total Assets (DTA), 1993-2000	173
5.5	SG, ITP, and SC: Trend of Debt to Equity (DER), 1993-2000	174
5.6	SG, ITP, and SC: Trend of Return on Investment (ROI), 1993-2000	183
5.7	SG, ITP, and SC: Trend of Return on Equity (ROE), 1993-2000	183
5.8	SG, ITP, and SC: Trend of Earnings per Share (EPS), 1993-2000	184
5.9	SG, ITP, and SC: Trend of Price Earnings Ratio (PER), 1993-2000	185
5.10	SG: Installed capacity and production	197
5.11	SG: Installed capacity, domestic sales and exports	202
5.12	SG: Market Share	203
7.1	SG: Domestic sales and exports	285
7.2	SG: The Distribution of Wealth	292
7.3	SG: The Distribution of Power	293
7.4	Distribution of Wealth in the Cement Industry in Indonesia	297
7.5	Distribution of Wealth in the Cement Industry in Indonesia if SG’s majority stake is owned by Cemex	298

## LIST OF TABLES

3.1	The scale of privatisations in selected OECD countries, 1980-1991	58
3.2	The scale of privatisations in selected OECD countries, 1990-2000	59
3.3	UK: Stock flotations, gross equity proceeds of sale, and privatisation expenses	64
3.4	UK: Directors' salaries before and after privatisation	67
3.5	UK: Speculative benefits from privatisation	68
3.6	UK: Size of selected privatised company's share registers	69
3.7	UK Privatisation: Discount on share price and share's over/under subscribed	70
3.8	Malaysia: Ownership of shares in Limited Companies, 1970 and [targets in] 1990 (%)	83
3.9	Malaysia: Ownership of Share Capital (at par value) of Limited Companies (%) (Bumiputera, Non-Bumiputera, and Foreigners)	83
3.10	Malaysia: Number of Public Enterprises, 1960-1992	84
3.11	Malaysia: Methods of Privatisation	88
3.12	Placement guidelines on Privatisation of Telekom Malaysia	91
3.13	Telekom Malaysia: Top 20 Shareholders, March 1991	92
3.14	Privatisation in Malaysia: Estimate of revenue generated and forgone by the government	93
3.15	Malaysia: Over-subscription of New Listings, 1989-1996	94
4.1	Indonesia: List of nationalised companies	110
4.2	Indonesia: SOEs' Destruction of Value by Sector	147
4.3	Indonesia: Privatised SOEs, 1991-2002	152
5.1	Cement Industry in Indonesia (CII)	161
5.2	Cement consumption per capita in ASEAN and a few other countries	169
5.3	SG: Change in Ownership Structure (%), 1995-2001	180
5.4	ITP: Change in Ownership Structure (%), 1995-2001	180
5.5	SCB: Change in Ownership Structure (%), 1995-2001	180

5.6	Indonesia: Local Standard Price of Cement ( <i>Harga Pedoman Setempat Semen</i> )	188
6.1	SG: Change in Ownership structure (%), 1991-1999	222
6.2	Divestment of SG in 1998: proceeds and expenses (US\$)	234
6.3	Value per tonne of capacity of the divestment of SG in 1998: a comparative outlook	237
6.4	SG: Summary of the Comparative Financial Performances (before and after the divestment in 1998)	242
6.5	Estimated value per tonne of capacity: a comparative outlook (the case of put option)	245
6.6	SG: the Board of Commissioners and the Board of Directors	246
6.7	MNCs' ownership in the Indonesia's Cement Industry	254
7.1	SG [Group]: The Mean of Exports	286

## **LIST OF APPENDICES**

1.1	Country breakdown of global amount raised from privatisation, 1990-2000p (US\$m)	313
2.1	Examples of privatisation's objectives in several countries	314
3.1	Malaysia: Major privatised projects, 1983 - 1995	315
4.1	List of the State-Owned Enterprises in Indonesia	318
4.2	Indonesia: Summary of SOEs' Performance, 1992-2001	322
4.3	Summary of the Development of SOEs, SOEs' reforms and Privatisation in Indonesia	323
5.1	Financial Highlights of PT. Semen Gresik (Persero), Tbk.	328
5.2	Financial Highlights of PT. Indocement Tungal Perkasa, Tbk.	329
5.3	Financial Highlights of PT. Semen Cibinong, Tbk.	330
5.4	SG: Dry processing of cement production	331
5.5	SG: Types and characteristics of products	332
5.6	SG: Organisational structure	333
5.7	SG: Subsidiaries, affiliations, and supporting institutions	334

## GLOSSARY

ADB	Asian Development Bank
<i>Berhad</i> (Bhd.)	Limited
BOT	Build, Operate, and Transfer
BPK	<i>Badan Pemeriksa Keuangan</i> (Supreme Audit Board)
BPKP	<i>Badan Pengawasan Keuangan dan Pembangunan</i> (State Internal Audit Agency)
<i>BUMN</i>	<i>Badan Usaha Milik Negara</i> (State-owned Enterprises)
CAA	Civil Aviation Authority (UK)
CEE	Central and Eastern Europe
CII	Cement Industry in Indonesia
<i>DPR</i>	<i>Dewan Perwakilan Rakyat</i> (House of Representative)
FSU	Former Soviet Union
<i>GBHN</i>	<i>Garis-garis Besar Haluan Negara</i> (Broad Outlines of the Nation's Direction)
<i>GoI</i>	Government of Indonesia
IBRD (the World Bank)	International Bank for Reconstruction and Development
IMF	International Monetary Funds
<i>Ind. or INA</i>	Indonesia
<i>Inpres</i>	<i>Instruksi Presiden</i> (Presidential Instruction/Decree)
IPO	Initial Public Offering
ISCID	International Centre for Settlement of Investment Disputes
<i>Kepmen</i>	<i>Keputusan Menteri</i> (Minister Decision)
<i>Kepres</i>	<i>Keputusan Presiden</i> (President Decision)
<i>Keuangan</i>	Finance
<i>KKN</i>	<i>Korupsi, Kolusi dan Nepotisme</i> (corruption, collusion and cronyism/nepotism)
KLSE	Kuala Lumpur Stock Exchange
LDC	Less Developed Countries
LoI	Letter of Intent
LRD	Labour Research Department (UK)
LSPEU	<i>Lembaga Studi dan Pengembangan Etika Usaha</i> (Institute for the Study and Advancement of Business Ethics)
MARA	<i>Majlis Amanah Rakyat</i> (Council of Trust for the Indigenous People)
MAS	Malaysia Airlines
MCA	Malaysian Chinese Association
M/EBO	Management/Employee Buy-out

MEFP	Macro Economic and Financial Policies
MIC	Malaysian Indian Congress
MISC	Malaysian International Shipping Corporation Berhad
MMC	Monopolies and Mergers Commissions
MNC	Multinational Corporation
MP	Malaysia Plan
MPR	<i>Majelis Permusyawaratan Rakyat</i> (People's Consultative Assembly)
MTR	Mid-Term Review
NAO	National Audit Office (UK)
<i>Negara</i>	State
NEP	National Economic Policy
OECD	Organisation for Economic and Cooperation Development
OFGAS	The Office of Gas (UK)
OFTEL	The Office of Telecommunication (UK)
OFWAT	The Office of Water Services (UK)
<i>Partai Golkar</i>	Golkar Party
PDIP	<i>Partai Demokrasi Indonesia Perjuangan</i> (Indonesia Democratic Party of Struggle)
PEA	Political Economy of Accounting
<i>Pemerintah</i>	Government
<i>Peraturan</i>	Regulation
Pernas	<i>Perbadanan Nasional</i> (National Corporation)
PKB	<i>Partai Kebangkitan Bangsa</i> (National Awakening Party)
PLC	Public Listed Company
PNB	<i>Permodalan Nasional Berhad</i> (National Equity Corporation)
PP	<i>Peraturan Pemerintah</i> (Government Regulation/Act)
<i>Privatisasi</i>	Privatisation
<i>Propenas</i>	<i>Program Pembangunan Nasional</i> (National Development Programme)
PT ITP (ITP)	PT Indocement Tungal Perkasa, Tbk.
PT SCB (SCB)	PT Semen Cibinong, Tbk.
PT SG (SG)	PT Semen Gresik (Persero), Tbk.
PT SP (SP)	PT Semen Padang (Persero)
PT ST (ST)	PT Semen Tonasa (Persero)
<i>Reformasi</i>	Reform(s)
RI	Republic of Indonesia
RM	<i>Ringgit Malaysia</i> (The Malaysian currency)
Rp. or IDR	<i>Rupiah or Indonesian Rupiah</i> (the Indonesian currency).



<i>RUPS</i> (ASGM)	<i>Rapat Umum Pemegang Saham</i> (Annual Shareholders General Meeting)
<i>Sdn. Bhd.</i>	<i>Sendirian Berhad</i> (Private Limited)
SEDCs	State Economic Development Corporations
<i>Semen</i>	Cement
<i>SK</i>	<i>Surat Keputusan</i> (Decision Letter)
SOE	State-owned Enterprise
SOEs	State-owned Enterprises
<i>TAP</i>	<i>Ketetapan</i> (Decree)
<i>TAP MPR</i>	<i>Ketetapan MPR</i> (MPR Decree)
<i>Tbk.</i>	<i>Terbuka</i> (a notion for public listed company in Indonesia)
UK	United Kingdom
UMNO	United Malays National Organisation
UU	<i>Undang-undang</i> (Law/Act)
UUD	<i>Undang Undang Dasar</i> (Constitution)